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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-909]

Certain Steel Nails from the People's Republic of China: Final Results of Antidumping Duty Administrative Review and Final Determination of No Shipments; 2015-2016

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) determines that The Stanley Works (Langfang) Fastening Systems Co., Ltd. and Stanley Black & Decker, Inc. (collectively, Stanley), a manufacturer/exporter of certain steel nails from the People's Republic of China (China), sold subject merchandise in the United States at prices below normal value during the period of review (POR), August 1, 2015, through July 31, 2016. We are also not granting a separate rate to Tianjin Lianda Group Co., Ltd. (Tianjin Lianda).

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Matthew Renkey or Courtney Canales, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, N.W., Washington, D.C. 20230; telephone (202) 482-2312 or (202) 482-4997, respectively.

SUPPLEMENTARY INFORMATION:

Background

Commerce published the *Preliminary Results* on September 7, 2017.¹ From November 29, 2017, through December 1, 2017, Commerce officials verified the questionnaire responses of

¹ See *Certain Steel Nails from the People's Republic of China: Preliminary Results of the Antidumping Duty Administrative Review and Preliminary Determination of No Shipments; 2015-2016*, 82 FR 42291 (September 7, 2017) (*Preliminary Results*) and accompanying Preliminary Decision Memorandum.

Stanley in North Kingstown, Rhode Island.² Also, from December 11 through 15, 2017, Commerce officials verified the questionnaire responses of Stanley in Langfang, Hebei Province, China.³ On December 20, 2017, Commerce extended the deadline in this proceeding by 60 days.⁴ On January 23, 2018, we tolled the deadline by three days due to the shutdown of the federal government.⁵ The revised deadline for the final results of this review is now March 9, 2018.

In accordance with 19 CFR 351.309, we invited parties to comment on our *Preliminary Results*. On February 15, 2018, Hebei Minmetals Co., Ltd.,⁶ Hillman Group, Inc.,⁷ Mid Continent Steel & Wire, Inc. (the petitioner),⁸ The Stanley Works (Langfang) Fastening Systems Co., Ltd. and Stanley Black & Decker Inc.,⁹ Building Material Distributors, Inc. (BMD), and Tianjin Jinghai County Hongli Industry & Business Co., Ltd., Tianjin Jinchi Metal Products Co., Ltd., Shandong Dinglong Import & Export Co., Ltd., Tianjin Zhonglian Metals Ware Co., Ltd., Shanghai Yueda Nails Industry Co., Ltd. and Shanxi Tianli Industries Co., Ltd.,¹⁰ submitted

² See Memorandum to the file “Sales Verification Report for The Stanley Works (Langfang) Fastening Systems Co., Ltd. (Stanley Langfang), and Stanley Black & Decker, Inc. (SBD) (collectively, Stanley) in the Antidumping Duty Administrative Review of Certain Steel Nails from the People’s Republic of China (China),” dated February 6, 2018 (Stanley Sales Verification Report).

³ See Memorandum to the file “Sales Verification Report for The Stanley Works (Langfang) Fastening Systems Co., Ltd. (Stanley Langfang), and Stanley Black & Decker, Inc. (SBD) (collectively, Stanley) in the Antidumping Duty Administrative Review of Certain Steel Nails from the People’s Republic of China (China),” dated February 6, 2018 (Stanley Langfang Verification Report).

⁴ See Memorandum to James Maeder, “Eighth Antidumping Duty Administrative Review of Certain Steel Nails from the People’s Republic of China: Extension of Deadline for Final Results of Antidumping Duty Administrative Review,” (December 20, 2017).

⁵ See Memorandum to The Record, from Christian Marsh, Deputy Assistant Secretary for Enforcement and Compliance performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance, “Deadlines Affected by the Shutdown of the Federal Government,” dated January 23, 2018.

⁶ Hebei Minmetals Co., Ltd. (Hebei Minmetals).

⁷ Hillman Group, Inc. (Hillman).

⁸ Mid Continent Steel & Wire, Inc. (the petitioner).

⁹ The Stanley Works (Langfang) Fastening Systems Co., Ltd. and Stanley Black & Decker Inc. (Stanley).

¹⁰ Tianjin Jinghai County Hongli Industry & Business Co., Ltd., Tianjin Jinchi Metal Products Co., Ltd., Shandong Dinglong Import & Export Co., Ltd., Tianjin Zhonglian Metals Ware Co., Ltd., Shanghai Yueda Nails Industry Co., Ltd. and Shanxi Tianli Industries Co., Ltd. (GDLSK Respondents).

timely filed case briefs, pursuant to our regulations.¹¹ Additionally, on February 21, 2018, the petitioner and Stanley submitted timely-filed rebuttal briefs.¹² On February, 28, 2018, in response to Commerce's instructions, Stanley re-filed its case brief with untimely new factual information redacted, and the petitioner re-filed its rebuttal brief with an untimely new affirmative argument redacted.¹³

Scope of the Order

The merchandise covered by the *Order* includes certain steel nails having a shaft length up to 12 inches. Certain steel nails subject to the *Order* are currently classified under the Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7317.00.55, 7317.00.65, 7317.00.75, and 7907.00.6000.¹⁴ While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the *Order*, which is contained in the accompanying Issues and Decision Memorandum (I&D Memo), is dispositive.¹⁵

Analysis of Comments Received

We addressed all issues raised in the case and rebuttal briefs by parties to this review in the I&D Memo. Attached to this notice, as an Appendix, is a list of the issues which parties raised. The I&D Memo is a public document and is on file in the Central Records Unit (CRU),

¹¹ See e.g., Letter to the Secretary, from Hebei Minmetals regarding "Certain Steel Nails from the People's Republic of China: Case Brief," dated February 15, 2018.

¹² See e.g., Letter to the Secretary, from the petitioner, regarding "Certain Steel Nails from the People's Republic of China: Rebuttal Brief," dated February 21, 2018.

¹³ See Letter to the Secretary, from Stanley regarding "Certain Steel Nails from the People's Republic of China: Redacted Version Case Brief," dated February 28, 2018; see also Letter to the Secretary, from the petitioner regarding "Certain Steel Nails from the People's Republic of China: Revised Rebuttal Brief," dated February 28, 2018.

¹⁴ Commerce added the Harmonized Tariff Schedule category 7907.00.6000, "Other articles of zinc: Other," to the language of the *Order*. See Memorandum to Gary Taverman, Senior Advisor for Antidumping and Countervailing Duty Operations, through James C. Doyle, Director, Office 9, Antidumping and Countervailing Duty Operations, regarding "Certain Steel Nails from the People's Republic of China: Cobra Anchors Co. Ltd. Final Scope Ruling," (September 19, 2013).

¹⁵ For a full description of the scope of the *Order*, see Memorandum from James Maeder, Associate Deputy Assistant Secretary performing the duties of Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Christopher Marsh, Deputy Assistant Secretary for Enforcement and Compliance, "Certain Steel Nails from the People's Republic of China: Issues and Decision Memorandum for the Final Results of the Eighth Antidumping Duty Administrative Review" (March 9, 2018) (I&D Memo) which is adopted by this notice.

Room B8024 of the main Department of Commerce building, as well as electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov> and in the CRU. In addition, a complete version of the I&D Memo can be accessed directly on the internet at <http://enforcement.trade.gov/frn/index.html>. The signed I&D Memo and the electronic versions of the I&D Memo are identical in content.

Changes since the *Preliminary Results*

Based on a review of the record and comments received from interested parties regarding our *Preliminary Results*, and for the reasons explained in the I&D Memo, we revised the margin calculation for Stanley. Accordingly, for the final results, Commerce has updated the margin to be assigned to companies eligible for a separate rate as the revised margins for the sole mandatory respondent, Stanley, whose margin is not zero, *de minimis*, or based on facts available. The Surrogate Values Memo contains further explanation of our changes to the surrogate values selected for Stanley's factors of production.¹⁶ For a list of all issues addressed in these final results, please refer to the Appendix accompanying this notice.

Final Determination of No Shipments

In the *Preliminary Results*, Commerce preliminarily determined that two companies, Mingguan Ruifeng Hardware Products Co., Ltd. (Mingguan Ruifeng) and Shandong Oriental Cherry Hardware Import & Export Co., Ltd. (Cherry Hardware Import & Export), did not have any reviewable transactions during the POR. Consistent with Commerce's assessment practice in non-market economy (NME) cases, we completed the review with respect to Mingguan

¹⁶ See Memorandum to the File, through Paul Walker, Program Manager, Office V, Enforcement and Compliance, from Courtney Canales, International Trade Analyst, Office V, Enforcement and Compliance, regarding Eighth Antidumping Administrative Review of Certain Steel Nails from the People's Republic of China: Surrogate Values for the Final Results, dated concurrently with and hereby adopted by this notice (Surrogate Values Memo).

Ruifeng and Cherry Hardware Import & Export. Based on the certifications submitted by the aforementioned companies, and our analysis of CBP information, we continue to determine that these companies did not have any reviewable transactions during the POR. As noted in the “Assessment Rates” section below, Commerce intends to issue appropriate instructions to CBP for the above-named companies based on the final results of this review.

Methodology

Commerce conducted this review in accordance with section 751(a)(1)(B) of the Act. In the *Preliminary Results*, the Department calculated constructed export prices in accordance with section 772 of the Act. Because China is a nonmarket economy (NME) within the meaning of section 771(18) of the Act, normal value is calculated in accordance with section 773(c) of the Act. We have not received any information since the issuance of the *Preliminary Results* that provides a basis for reconsidering this determination. For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum, available at <http://enforcement.trade.gov/frn/>.

Final Results of Administrative Review

The weighted-average dumping margins for the administrative review are as follows:

Exporter	Weighted-Average Margin (Percent)
Stanley	5.98
Dezhou Hualude Hardware Products Co., Ltd.	5.98
Hebei Cangzhou New Century Foreign Trade Co., Ltd.	5.98
Hebei Minmetals Co., Ltd.	5.98
Nanjing CAIQING Hardware Co., Ltd.	5.98
Nanjing Toua Hardware & Tools Co., Ltd.	5.98
Qingdao D&L Group Ltd.	5.98
SDC International Aust. PTY. LTD.	5.98
Shandong Dinglong Import & Export Co., Ltd.	5.98

Shandong Oriental Cherry Hardware Group Co., Ltd.	5.98
Shandong Qingyun Hongyi Hardware Products Co., Ltd.	5.98
Shanghai Curvet Hardware Products Co., Ltd.	5.98
Shanghai Yueda Nails Industry Co., Ltd. a.k.a. Shanghai Yueda Nails Co., Ltd.	5.98
Shanxi Hairui Trade Co., Ltd.	5.98
Shanxi Pioneer Hardware Industrial Co., Ltd.	5.98
Shanxi Tianli Industries Co., Ltd.	5.98
Suntec Industries Co., Ltd.	5.98
S-Mart (Tianjin) Technology Development Co., Ltd.	5.98
Tianjin Jinchu Metal Products Co., Ltd.	5.98
Tianjin Jinghai County Hongli Industry & Business Co., Ltd.	5.98
Tianjin Universal Machinery Imp. & Exp. Corporation	5.98
Tianjin Zhonglian Metals Ware Co., Ltd.	5.98
Xi'an Metals & Minerals Import & Export Co., Ltd.	5.98

Assessment Rates

Pursuant to section 751(a)(2)(A) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.212(b), Commerce has determined, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries of subject merchandise in accordance with the final results of this review. Commerce intends to issue appropriate assessment instructions directly to CBP 15 days after publication of the final results of this administrative review.

Where the respondent reported reliable entered values, we calculated importer- (or customer-) specific *ad valorem* rates by aggregating the dumping margins calculated for all U.S. sales to each importer (or customer) and dividing this amount by the total entered value of the sales to each importer (or customer).¹⁷ Where Commerce calculated a weighted-average dumping margin by dividing the total amount of dumping for reviewed sales to that party by the total sales quantity associated with those transactions, Commerce will direct CBP to assess

¹⁷ See 19 CFR 351.212(b)(1).

importer-specific assessment rates based on the resulting per-unit rates.¹⁸ Where an importer- (or customer-) specific *ad valorem* or per-unit rate is greater than *de minimis* (*i.e.*, 0.50 percent), Commerce will instruct CBP to collect the appropriate duties at the time of liquidation.¹⁹ Where an importer- (or customer-) specific *ad valorem* or per-unit rate is zero or *de minimis*, Commerce will instruct CBP to liquidate appropriate entries without regard to antidumping duties.²⁰ We intend to instruct CBP to liquidate entries containing subject merchandise exported by the China-wide entity at the China-wide rate.

For respondents that were not selected for individual examination in this administrative review and which qualified for a separate rate, the assessment rate is equal to the weighted-average dumping margin assigned to Stanley, 5.98 percent.

Pursuant to Commerce's assessment practice, for entries that were not reported in the U.S. sales databases submitted by companies individually examined during this review, Commerce will instruct CBP to liquidate such entries at the China-wide entity rate. Additionally, if Commerce determines that an exporter had no shipments of the subject merchandise, any suspended entries that entered under that exporter's case number (*i.e.*, at that exporter's rate) will be liquidated at the China-wide entity rate.²¹

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(2)(C) of the Act: (1) For the exporters listed above, the cash deposit rate will be

¹⁸ *Id.*

¹⁹ *Id.*

²⁰ See 19 CFR 351.106(c)(2).

²¹ See *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694 (October 24, 2011).

the rate established in the final results of review (except, if the rate is zero or *de minimis*, a zero cash deposit rate will be required for that company); (2) for previously investigated or reviewed China and non-China exporters not listed above that have separate rates, the cash deposit rate will continue to be the exporter-specific rate published for the most recent period; (3) for all China exporters of subject merchandise which have not been found to be entitled to a separate rate, the cash deposit rate will be the China-wide rate of 118.04 percent; and (4) for all non-China exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the China exporters that supplied that non-China exporter. The deposit requirements, when imposed, shall remain in effect until further notice.

Disclosure

We intend to disclose the calculations performed regarding these final results within five days of the date of publication of this notice to parties in this proceeding in accordance with 19 CFR 351.224(b).

Notification to Importers

This notice also serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this POR. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of doubled antidumping duties.

Administrative Protective Orders

This notice also serves as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to govern

business proprietary information in this segment of the proceeding. Timely written notification of the return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

We are issuing and publishing these final results of administrative review in accordance with sections 751(a)(1) and 777(i) of the Act, and 19 CFR 351.221(b)(5).

Dated: March 9, 2018.

Gary Taverman,
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations,
performing the non-exclusive functions and duties of the
Assistant Secretary for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Discussion of the Issues

- Comment 1: Low Carbon Steel Wire Rod Surrogate Value
- Comment 2: Medium Carbon Steel Wire Rod Surrogate Value
- Comment 3: Differential Pricing Methodology
- Comment 4A: Tianjin Lianda's Status for the Final Results
- Comment 4B: Calculation of a Margin for Tianjin Lianda Based on Incomplete Data
- Comment 4C: Whether Commerce Should Include Tianjin Lianda's Margin in the Calculation of the Separate Rate
- Comment 5: Correction of Errors in Tianjin Lianda's Margin Calculation
- Comment 6: Plastic Granules Surrogate Value
- Comment 7: Sealing Tape Surrogate Value
- Comment 8: Thermal Transfer Ribbon Surrogate Value
- Comment 9: Orthophosphoric Acid Surrogate Value
- Comment 10: Treatment of Stanley's Wire Drawing Toller's Scrap
- Comment 11: Correction of a Transposition Error for the Corrosion Resistant Coating and Paint Thinner Surrogate Values

- V. Recommendation

[FR Doc. 2018-05370 Filed: 3/15/2018 8:45 am; Publication Date: 3/16/2018]